(c) In a deregulated and decontrolled era decisions regarding improvement in operational efficiency, aimed at reduction in costs of production, are taken by the individual companies in order to maintain their competitive edge in the market. The Government helps in removing the bottlenecks for the overall development of the steel industry.

Increasing prices of Steel

†479. SHRI RAJIV RANJAN SINGH 'LALAN' :
SHRI RAM JETHMALANI :

Will the Minister of STEEL be pleased to state :

(a) whether it is a fact that the prices of steel has been on the increase for the last eighteen months in the country;

(b) if so, the details of such increase after July, 2002 to October, 2003;

(c) the reasons for such increase;

(d) whether the same is due to increase in production cost of Steel; and

(e) if so, to what extent the production cost of Steel has increased?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) Yes, Sir.

(b) Domestic price movement from July, 2002 to October, 2003 in respect of certain representative categories of long and flat steel products as observed in the Mumbai market is enclosed as Statement. (*See* below)

(c) and (d) The main reason for rise in steel price is the global increase in the demand for steel. The domestic prices have followed the general pattern of international prices. The increase in demand from the domestic steel consuming industries has further reinforced the upward movement of prices. Sharp rise in the cost of metallics and certain other critical inputs like iron ore, coal, coke, nickel and ferro alloys has also contributed to the rise in prices.

(e) Cost of production is a commercial information for the steel companies and data for the same is not maintained by the Ministry.

† Original notice of the question was received in Hindi.

Statement

Domestic Market (Mumbai) Price of Selected Steel Items during Jul'02—Oct'03

Rs/tonne

Item	Jul'02	Aug'02	Sep'02	Oct'02	Nov'02	Dec'02	Jan'03	Feb'03	Mar'03	Apr'03	May'03	Jun'03	Jul'03	Aug'03	Sep'03	Oct'03
Wire Rods 6 mm	17750	17750	17750	17750	17350	17100	17100	18400	18500	18800	18000	18500	20000	21900	20900	20900
Rounds 12mm	15900	15900	15600	15600	15000	15800	16400	17000	17500	17500	17000	17000	18100	21500	19700	20000
Joists 125X 70mm	16000	15800	16000	15500	16200	16500	17000	17600	18000	18200	18200	18400	19800	22000	20900	22100
H.R. Coils 2.00 mm (TMQ)	20500	20500	20500	21500	21200	21500	23500	24400	24500	24200	23500	22800	22500	24200	23900	23500
CR Coils 0.63 mm	23500	23500	23500	23000	23500	23500	26000	27000	27000	26500	26500	26000	27500	28400	27750	27750
GP Sheets 0.63 mm	27000	27000	27000	28500	27500	27500	29000	31000	31000	31000	31000	30000	30000	30200	29500	29750

(Source: JPC)